

VIEW SOLICITATION

General Information

Solicitation Number: W912DR-05-R-0025
Restrictions: unrestricted
Title: Sources Sought Notice for Privatization of Army Family Housing at Fort Myer Military Community FMMC, which includes Fort Myer in Arlington, VA and Fort McNair in Washington DC
Location: Fort Myer in Arlington, VA and Fort McNair, Washington, DC
Issue Date: 2/25/2005
Closing Date: Postponed
Price Range: Over \$500,000,000.00
Performance Period: 1 Base Year Period & 4 Option Year Periods
NAICS: 531390
FSC: R402
CBD: R
Size Standard: \$1.5M
Contracting POC: [Tracy Fetchik](#), 703-604-2441
Technical POC: [Joe Neil](#), 301-677-3007
Synopsis:

[Frequently Asked Questions](#)
[Attachment 2](#)
[Site Visit Package](#)

The Army's Residential Communities Initiative (RCI) is seeking interested parties to accomplish the Privatization of Army Family Housing at Fort Myer Military Community (FMMC), which includes Fort Myer in Arlington, VA and Fort McNair in Washington DC. Previously, the Army issued a Request for Information (RFI) to determine the type and depth of industry interest in the privatization of Army Family Housing at the Fort Myer Military Community (FMMC). This addendum was motivated by respondents to the previous RFI who requested additional information so they could provide a more definitive reply. The additional information is provided in Attachment 1, [click here to access](#). When replying to this addendum, respondents are requested to include a brief opinion on how they will meet the requirements of Section 2875 of Title 10 of the United States Code – Investments of the Military Housing Privatization Initiative (MHPI) as related to Forts Myer and McNair. (Section 2875 MHPI is further explained below). Respondents may also choose to propose alternative project structures not subject to Section 2875 restrictions.

The FMMC is a garrison command that serves two higher headquarters and that grew out of the Military District of Washington (MDW) in 1993. Forts Myer and McNair are historic installations that have performed many functions in their long lives, but for the last half-century they have served as the Army's Showcase in the National Capital Region. Army family housing at Fort McNair includes 29 historic family housing units. Army family housing at Fort Myer includes 178 family housing units, comprised of 118 non-historic homes and 60 historic homes. The land and units belonging to the 118 non-historic homes (Tencza Terrace high rise) will not be included in this project. For purposes of determining feasibility, interested parties should assume that the project consists of the 60 historic homes at Fort Myer and the 29 historic homes at Fort McNair.

Firms with experience in historic preservation, historic tax credits, residential construction, operation, and management are encouraged to recommend means by which this project could be accomplished while still meeting the requirements in

Section 2875. The Army seeks firms whose innovative approach to financing and organizational structure will optimize the community development and management plan while not exceeding the 2875 test. Respondents should assume that use of a Government direct loan will not be available.

Explanation of Section 2875 – Investments of the Military Housing Privatization Initiative (MHPI). Congress, through MHPI, granted the Government the authority to be a partner in a Limited Liability Company (LLC) pursuing privatization through an investment in such an entity. Many RCI projects need a Government equity contribution in order to fill a development funding gap during the Initial Development Period (IDP). Typically, the Government supplies its equity investment as an interest in the project LLC. Section 2875 – Investments of the MHPI legislative authorities state that, “the cash amount of an investment under this section in an eligible entity may not exceed an amount equal to 33% of the capital cost of the project or projects that the eligible entity proposes to carry out under this section with the investment.” When the investment involves land and facilities, the total value of the investment cannot exceed 45% of the capital cost of the project. The statute provides that “the term ‘capital cost’, with respect to a project for the acquisition or construction of housing, means the total amount of the costs included in the basis of the housing for Federal income tax purposes.” Consequently, in addition to the costs that the partnership expends in development of the assets and creation of new assets, the basis of the project, and therefore the capital cost of the project, must also include the adjusted basis of the assets contributed by the Government at the time of the contribution.

Interested parties are invited to provide their written opinion of the options to privatize Army family housing at FMMC while remaining within the allowed authorities and excluding the non-historic homes. Responses (ten pages or less) should also include the company name, a brief statement of relevant corporate background (statement of capabilities) as it relates to low-rise (3 story or less) housing development/construction, property management and project financing, point of contact, telephone number and email address, to the Contract Specialist via email at tracy.fetchik@usace.army.mil by no later than 1 April 2005.

This announcement constitutes a sources sought / market research synopsis and will close on 1 April 2005. Information obtained as a result of this announcement is for planning purposes only and may or may not be used for a subsequent solicitation. It does not constitute an invitation for sealed bid or request for proposal and should not be construed as a commitment by the Army. The Army intends to treat the identity of Respondents and all opinions received as source selection information and does not intend to notify Respondents of the results of this announcement.

Amendments:	Amendment 1, dated 21 March 2005
Plans & Specs:	Available thru FedTeDS
Register as an Interested Party:	Download the attached form , complete, and return as directed.